

for the past 25 years, bags of leaves, bundles of shrub trimmings, and bags of garbage that I set in front of my yard at the curb at 6 a.m. were picked up at about 7 a.m. every Wednesday and Saturday.

Suddenly, a few months ago, things changed. Pick-up would be made any time during the day, frequently not at all. I could find no explanation for this change.

Then, last week, I saw the news that a \$1,800,000 contract had been awarded to perform 1/3 of the scavenger work of the City, that 100 men will be laid off, and that savings of \$400,000 are expected from these actions. It was stated that \$6,000,000 had been budgeted for the total job of garbage collection in 1978, but no figure was given for actual expenditures, so the savings estimate is neither accurate or realistic.

If the \$1,800,000 contract will save \$400,000 as claimed, by permitting discharge of 100 men, then the work done by these 100 men must have cost \$2,200,000. Allowance of \$200,000 for equipment, supervision and overhead, leaves \$2,000,000 for wages, an average of \$20,000 per man. Do these men get that wage?

Looking at the matter in another way: if you contract 1/3 of the work of a \$6,000,000 job, (i.e. \$2000,000) for \$1,800,000, then the estimated saving is only \$200,000, not \$400,000.

It is hard to understand why this contract was drawn without any provisions for or stipulations related to the 100 men to be discharged. The most urgent need in Newark is to provide work for the semi-skilled and unskilled. Certainly the work of scavenging, or garbage collection, is one area where the semi-skilled and unskilled can be employed for the greatest public benefit.

This move leaves these men at the tender mercies of the Contractor. I do not credit the claim of \$400,000 in savings. I do not believe that any cost reduction by contracting can be greater than that which can be gotten by competent administration and effective, aware supervision. I do not believe we have either of the latter, at present.

This contract should be very closely monitored and evaluated. Without meticulous evaluation, it should not be accepted as a guide for future action in this area.

At this point, this contract appears to be questionably justified, ill-advised, short-sighted, against the public interest, and, in view of the background of an official of the Company, somewhat suspect.

D. J. Henderson
to the City Council
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